



Democratic State of the Union Response Center

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DEMOCRATS FIGHT TO PROTECT WORKER PENSIONS

Americans are outraged by corporate loopholes that permit companies to protect millions of dollars in pension benefits for top executives while millions of loyal employees lose their retirement savings.

Democrats value the financial well-being of our parents and grandparents, and believe that all Americans deserve to retire with dignity. We are fighting to make sure that all Americans who work hard have the opportunity to get ahead.

Protect older employees' pensions. Democrats believe that companies that want to change their pension systems should be required to provide older workers with the same amount of benefits they would have received under the existing pension plan. This would overrule the proposal by the Bush Administration which would give big companies the ability to make deep cuts in pension benefits for older workers.

Eliminate special treatment for executive pension plans. Enron showered its executives with special deferred compensation benefits for CEOs, while rank-and-file employees are still standing in line with all other creditors with little hope of recovering any of the billions in pension benefits that were lost. Democrats will work to stop this special treatment, and make sure that workers and CEOs play by the same rules.

Defend workers' pensions. The Democratic plan toughens current law and criminal penalties for trust managers who violate workers' pension rights.

Increase executive accountability. Democrats believe that plan participants to be notified of any significant sales of employer stock by executives or plan managers.

Unbiased, independent investment advice. Democrats want to provide for independent financial advice for employees when company stock is offered as an investment option.

Give employees control over their retirement savings. Democrats support giving employees the right to diversify company-matched stock soon after plan participation. Enron employees, for example, were prevented from selling hundreds of millions of dollars in company-matched stock while executives were dumping their company stock.